

Dr. FLEMING and I talked a little bit ago about how employers are scared. I've got a lady who runs a small business. She has eight employees. She desperately needs to hire another one or two, but because of the employer mandates of ObamaCare, she's not going to hire anybody. She's just going to try to struggle along herself and is not going to expand her business. She could hire two new people, and the employer mandate is going to prevent these two people who need jobs today from going to work for this small business.

I already mentioned the guy who wants to do a \$31 million expansion. He's not going to do that, not going to hire the 100 or so new employees that he would hire because he's afraid of ObamaCare and the employer mandates.

One other thing—and then I will yield back to Dr. GINGREY—is that, to kind of go along with these cuts to Medicare, in the stimulus bill a lot of Americans don't realize that they put in something called “comparative effectiveness research.” In medicine, we compare the effectiveness of one treatment versus another. Breast cancer, is it just taking a tumor out? Is it giving chemotherapy? Is it radiation therapy? Is it a combination of all this? That's not what this is all about. It's to compare the effectiveness of spending a dollar. And it's age related, which means that those people on Medicare, comparative effectiveness is just going to mean that they're just not going to get the care.

And I yield back.

Mr. GINGREY of Georgia. If the gentleman will yield back to me for maybe a concluding remark.

And yes, the gentleman, Mr. Speaker, has brought up the “R” word, “rationing,” and that's exactly what we're talking about with regard to all of these bureaus and boards and agencies, I don't know, something like 40—I wish I had brought that chart with me—but comparative effectiveness is research, is Medicare, payment board—this new board, IPAB. These things are going to lead to rationing. And the folks, Mr. Speaker, that we are most concerned about are our precious senior citizens, our parents, our grandparents, who are the ones that we fear, because of this legislation, are going to get pushed under the bus.

Mr. Speaker, thank you very much. And as I predicted, we wouldn't get to all the bullet points that we wanted to discuss, but this colloquy, this Special Order is to be continued.

And I yield back.

□ 2030

TAX CUTS

The SPEAKER pro tempore (Mr. TEAGUE). Under the Speaker's announced policy of January 6, 2009, the gentleman from California (Mr. GARAMENDI) is recognized for 60 minutes as the designee of the majority leader.

Mr. GARAMENDI. Mr. Speaker, I thank you for the privilege of the floor and the opportunity to share some thoughts with my colleagues on the Democratic side.

I was going to go to the tax issue which is before the American public. The President has cut a deal with the Republicans. And I know that on our side, we have some concerns about this, but I really think we need to spend just maybe a couple of minutes about what we just heard. We just heard the gutting of the health care reform program. Have no doubt about this, general public and the people out there: The program that was put together last year on health care is an effort that will be successful to provide health insurance for the 40 million to 50 million Americans that don't have health insurance and for the thousands each and every day that lose their job and lose their health insurance.

The Republican Party is committed to gutting the health care program, and it's stage one. When they come into power in this House next January, they are going to begin a concerted effort of moving more and more wealth to the highest and the richest men and women in America that have already seen a quintupling of their wealth in the last 20 years.

So let's have a very clear understanding of this. By gutting the health reform program, you will see stage one of the Republican effort to shift money away from the working men and women to those who are already fabulously wealthy. Not in the last 70, 80 years has America seen such an accumulation of wealth among the very, very few and a disproportionate holding down of the great middle class in America. The health reform program was an effort to provide one of the most critical things that every person and every family needs, and that is access to health care. We'll put that aside. We'll come back to that.

But the issue of the day today on everybody's mind, the President doing his press conference, saying he's cut a great deal with Republicans. We don't think it is. Last week, this House passed a very, very important piece of legislation that laid out a significant tax cut for the working men and women in America, those people who get on a bus in the morning, get in their car, commute to work, spend their 8, 9, 10 hours working, come home and take care of their family. That tax package that this Democratic House passed last week is a good, solid tax package in it provides a reduction in taxes for the working men and women, the middle class of America, and it is simultaneously one of the most important stimuli that we can provide to get this economy up and moving. When coupled with the unemployment insurance, it is a very, very strong package.

What's been negotiated with Republicans is a real serious problem for America. If you care about the deficit, then you'd better be paying attention,

because the proposal that's before us, as negotiated by the President and the Republicans, is going to significantly increase the deficit. The program that we put forward will stimulate the economy and, in the out-years, significantly reduce the deficit.

Let's just take a look at the difference. I put this one up last week when I was talking about this issue and we laid out the Obama tax proposal, which no longer is the case. Obama and the Bush tax cuts have come together. But on the Obama tax proposal, every working family in America that earns an after-adjustment—that is, the adjusted gross income—of less than \$250,000 will receive a significant tax reduction in the range of some \$6,000 for those at the top end and downward for those who are earning just \$10,000, a very small tax cut, but nonetheless, a very significant one at 53.

So this is what we voted on last week, one that put the working men and women, the middle class, to an advantage. Now, what's been cut, the deal that's been cut is one that puts this one aside and instead substitutes the Bush tax cuts. In other words, the Republicans have won the day with their supporters. We're talking about the filthy rich in America. We're talking about the billionaires who are going to receive an enormous benefit for the next 2 years. Average, for those who have an adjusted gross income over \$1 million, the average tax cut for them is over \$100,000 a year. So what are they going to do with it? Well, I guess they can go out and buy a Mercedes-Benz E-Class, one each year under the proposal that's made.

But what is the cost to the economy? The cost to the economy is \$150 billion, \$150 billion that will have to be borrowed—probably from China—to finance a tax cut so the very, very wealthy in America can go out and buy two Mercedes-Benz in the next 2 years, or maybe they want a new villa in the South of France. Is this going to stimulate our economy? We think not. We think this proposal's a bad deal for America.

Now let me just show you one other piece of this, and that is that this tax cut also will cause America to go further in debt. The deficit is a very serious problem, but this tax cut proposal has already been proved to not work, and the proof is in the decade 2001 to 2010. During the Clinton period, with taxes higher—these cuts were not in effect—22.7 million jobs were created. The proposal to give to the wealthy \$150 billion additional tax relief generated 1 million jobs in the decade 2000 to 2010. So right there is historic proof that these tax cuts don't necessarily create economic growth. And the only economists that will say they do are the Republicans, who happen to have used the money from these very same corporations and individuals to finance the most scurrilous, secretive campaigns ever in America's history. That was the Citizens United case that

□ 2040

opened the doors to secret money financing campaigns. What do you think they're going to do? Maybe they'll buy a Mercedes or maybe they'll use these tax cuts to come back to further undermine the working men and women of this Nation with the kind of proposal you just heard on repealing the health care reforms.

Okay, enough from me right now. We'll come back at this issue. But I'm joined today by two of my colleagues, Congressman PAUL TONKO, from the great State of New York, and Mr. McDERMOTT, from the equally great State of Washington.

Mr. TONKO, would you please join us.

Mr. TONKO. Yes. Thank you, Representative GARAMENDI, for bringing us together this evening for an hour's worth of discussion.

Obviously, I think we need to stay extremely well focused, laser sharp in our focus on what's affordable and what return we get for the spending that is being called for for tax cuts. Now, I know that, as you pointed out, when we saw the Bush tax cuts for which we borrowed from China to pay for, we saw that there was very little return coming from that investment. The analyses that have followed those tax cut years indicate that we just simply did not get that trickled down.

However, conversely, with the Obama tax cuts that were part of the Recovery Act, which was the largest single middle-income income tax cut in this Nation's history, the strength that came to the economy was very much measured. We saw where that effort to assist middle-income families paid great dividends. There were those efforts made to stop the bleeding of the recession. People began to spend in their regional economies. People were spending on those day-to-day necessities. And so I think it was beneficial to our American economy, certainly to our individual States' economies, and certainly to the regional effect that it had.

So I think we can make a very strong case about investing in the middle strata, in that income demographic that will allow for a great return. And so we need to contrast there the Obama taxes and the Bush taxes and look first at the outcomes that have been generated, the benefit to the economy in general. And I think it's very clear that when we assisted that working family economy, when we assisted the middle income strata in our country, there were great dividends that were paid by that investment.

Then, to the affordability, \$700 billion to \$900 billion worth of investment, of spending for a tax cut where there may not be a great return simply will compete with other forces: investing in job creation, job retention; investing in research so that we can compete in a global economy; making certain that our unemployment insurance opportunities, the stretching out of that dividend is affordable; making certain that we go forward and address the deficit situation.

People who have called for deficit response are now looking at what we're doing with this tax cut discussion. And I think it's very important for us to have the priorities that will speak to deficit reduction, development of an innovation economy, research and development investments that allow us to stay a world-leading Nation in this global economy.

And as to your point made about Citizens United as a case, I believe that as we give breaks here to that economy we are going to see more propensity, we are developing the opportunities for people to invest in these campaigns in a way that will stop progress. Because the voices of progress on this floor and down the Hall in the United States Senate will be snuffed out by the Supreme Court decision of Citizens United that enables people to invest in campaigns that are the opposition to sound health care reform, Wall Street reform, job creation efforts that we have been making, the small business loan activity. All of this will be turned backward. It will be snuffed out if we continue to assist these efforts like the Citizens United case that enables people to invest in individual campaigns, and corporations, both domestic and foreign, that can get involved in these campaigns.

Think of it, you take on Big Oil, you do the reforms on the floor, and in the next election you should fully expect that this Court decision enables people to invest to the sky's limit where they choose. The same would be true with big banks and big pharmaceuticals, big insurance companies. So by giving these opportunities to those who are going to use these dividends in that manner, we are again challenging and threatening the voice of progress in this House and in the United States Senate.

So I think there are really good reasons for us to be very analytical, very theoretical, very focused in how we package this program for tax cuts. And at this time I think the record stands clear that affordability and accountability for what we invest in, what's returned is realized, are all part of the decision-making process and have to be front and center as we move forward.

Mr. GARAMENDI. Mr. TONKO, thank you so very much. I just was taking one little piece, and I want to then turn to Mr. McDERMOTT. The proposal that was announced today, the Republican-Obama tax cut proposal, would send \$70 billion a year to the wealthiest billionaires and millionaires in America. What could that \$70 billion be used for?

Now, a teacher, let's just say a teacher gets \$50,000 a year. If you took \$50 billion of the \$75 billion, you could hire a million teachers in the classroom beginning January 1, 2011. A million teachers. Choices are being made here. Do you want \$70 billion to go to the wealthiest people in America, the top 2 percent, or would you like to use that

\$70 billion to build schools? Let's take \$20 billion of the 70 billion, we will build schools, we will improve the classrooms, we will bring technology to the classrooms, and use the remaining \$50 billion to hire a million teachers in our classrooms. Now, there's an investment that will last. That's the kind of thing we can do.

Now, that's just an option. Mr. McDERMOTT, could you please join us here and share with us your perspectives on this?

Mr. McDERMOTT. Well, thank you. Mr. Speaker, I am grateful that Representative GARAMENDI is talking tonight on this issue because it's one that we're going to argue over the next couple of weeks. And people ought to understand or have an opportunity to understand what really is going on. And I think that what the value of these kinds of hours is is that we can educate people about what's happening.

A man named Jacob Hacker wrote a book which is now on the newsstands called "Winner-Take-All Politics." It really is a description of what has happened to the American economy and the American public over the last 30 years. If you just remember one fact, in 1980 the top 5 percent of people had \$8 trillion worth of wealth. That's 1980, 30 years ago. Today, that top 5 percent have \$40 trillion. They have quintupled, they have gone times five what they had in 1980.

The movement of money up to the top by the tax structure has been dramatic. And the average people who are out there working, both husband and wife are working, and they've been struggling, they've been working more hours, they have barely seen any increase in their net worth over the last few years, especially with the drop in real estate prices and the fact that pensions are gone, and all these things are happening. The people on the bottom have not reaped the benefits.

Now we come to what we're doing here. These taxes were put in before either of you came to the Congress. They were put in in 2001 in order to expire in 2010. As long as they defined them as expiring, they didn't count. They were just temporary. So they put in this huge giveaway for the whole society at the top, and expected that the people would come in in the year 2010 and reenact them.

Now, the Republicans are faced with a dilemma. In about 3 weeks they're going to take over this House. The Republicans will have the House of Representatives. They will have control of the Senate through the filibuster and the fact that the Democratic majority is reduced. So they are going to be forced to deal with this issue if we don't. They want us to deal with it. They bullied the President into putting this package together, and they're trying to give him the bum's rush to get it all done before they take over in January because they know a secret.

They have over there a number of people who ran for election saying they

would not raise the debt limit and they would not increase the deficits, and yet the first bill that would be presented to them is to cut taxes and increase the deficit. And they know it. And they want to get it done. The Democrats are being pushed into it.

Now, how did they do it? Well, it's very simple. We care about workers. We care about the unemployed. We care about people who don't get a check to put food on the table and pay the rent and keep the lights on. So, we want to take care of the unemployed. The unemployment program ran out the 1st of December, and it's more running out by the end of December. You are going to have 2 million people lose their ability to put food on the table for their own children at Christmas time.

So the Republicans said, all right, we're not going to deal with this unemployment thing. We're going to stop it. We're going to stop it. And we're going to use it as the lever by which we force the Democrats to give us this tax break for the rich.

So the decision that's going to be made on this floor is shall we give—the bill that the President put out today, I am voting against it. I will make that real clear. It says 1 year of unemployment benefits for the unemployed in this country, and we're going to give 2 years, \$84 billion, or you say 70, but whatever, it's somewhere up above \$75 billion that goes to people on the top who already are rich beyond belief. And the hostages in this whole thing have been the unemployed.

What is absolutely unconscionable is what has been done to the unemployed. This is the second time. Last August they let it drag through about 51 days where nobody got a check because the program had expired. And unless you have been unemployed, you don't understand what that means. That means nothing comes in the mailbox, no check. So you have no way to go down to the grocery store and get food for your family.

Now, what do you in that case? People say, well, they go on welfare. No, they don't. There's no welfare program today. The only thing that's available for somebody who is without an unemployment check is food stamps. Or they can of course go to the food banks. The food banks are panicked by the fact that we have not extended unemployment benefits because they gave it all away at Thanksgiving, and here comes the month of December, and people are coming in droves, and they have nothing to give them.

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That's what's going on in America. The people on the other side that would say we would not—this is what MITCH MCCONNELL said. If you listen to him, it drives you nuts, because he said if you won't pass the tax break for the millionaires, nothing is going to happen in here. That kind of attitude is simply wrong, and that's why what you

are doing here tonight, letting people be aware of what's happening and what the options really are, and what the impacts are going to be, is very important.

Because the whole of the base in a democracy is an informed electorate. If we don't understand what's going on, if people aren't paying attention, they are going to wind up saying how did this happen? Well it happened because we didn't pay attention.

This is a real turning point for the President and the Democrats in this year. Because what we do here will set the stage for the next 2 years. We will be backing up. I learned when I was a kid on the playground, bullies will make you back up. And if you keep backing up, you will be backing up your whole life.

You have got to stop at some point and say "no," we are not going any further, you do it. And I really think that the Democrats would be much better off to force the Republicans to put up the votes for this event. They are going to try and slip around and say, well, we will give you 10, 15 votes but no more.

I think what you are doing here is starting to put the pressure on that whole process, and I commend you for doing it. Thank you.

Mr. GARAMENDI. Thank you very much, Mr. McDERMOTT.

I notice that our colleague from the great northeast, New Hampshire, has arrived. I think you have had a lot to say about this issue in your tenure here. If you would please join us and share with us your thoughts.

Ms. SHEA-PORTER. Thank you, and I appreciate the opportunity.

Thank you for bringing the Nation's attention to this problem. This is absolutely stunning. We spent a year and a half listening to our campaign opponents talk about borrowing and spending, borrowing and spending. Indeed, we really do have to get control of the debt. We have been working on that but suddenly they have blown that to pieces because everything in this bill is going to be paid for by borrowing the money.

So the middle class, who needed these tax breaks and deserve these tax breaks, will now carry the debt for the very wealthy who didn't need them and will get huge, huge amounts of money, all borrowed, probably from China, and then they will tell the middle class, but, look, there is something here for you too. You are going to get a piece also. But, by the way, you are also going to be paying for it because we are borrowing the money. So if you don't pay for it your children will pay for it.

Shame on all of us if we allow this to happen after talking about this debt and saying we are really getting serious about the debt. I mean, I campaigned on this in 2005. I said the debt was like an iceberg, and we were about to crash into it. We borrowed from the Chinese, and that was a national security risk as well as an economic risk.

For a year and a half, ironically all of us who are Democrats have been

whacked by Republicans for this debt that they ran up during the Bush era, and now they are turning around and saying, well, you know for all the people who are uninsured, or people who don't have jobs and the unemployment benefits, those are not the people we want to focus on now. We want to make sure that the wealthiest receive even more, and we want the middle class to pay for it. It's just wrong on so many levels.

So for those people who are listening, who are concerned about the debt, they need to understand that all of this money to pay for will be borrowed. It's not a gift; it's borrowed money, and if we don't pay for it our children will get stuck paying for it, plus interest, of course.

And why would they need it? I understand the middle class needing it. They certainly do. But why do we have to do this for the wealthiest. There are many who have great social consciousness and are saying, well, we really shouldn't get this money. We don't need it, and we shouldn't get it.

So why are the Republicans driving this, absolutely refusing, absolutely refusing to give unemployment benefits to those who have been victimized by this recession, unless we also took care of the top? I think the Republicans are quite clear about that, and we understand what happened in the last election, and I think it's disgraceful.

The other part of this that's so important, though, is the part where they carried on about Social Security. Social Security is at risk. We have to change Social Security. And we said, no, you don't, you just have to tweak it. You have to bring more income into it and stabilize it, because it's not just a Social Security problem. I read where a journalist said it's actually a retirement problem, that there are many, many millions of Americans who will not have adequate retirement and that Social Security is absolutely the floor.

So what are we doing here knowing that Social Security actually has to have more money coming in? We are cutting again. Again, we are cutting what people pay into it for a year. And then how are we going to make up the money? Oh, we just going to borrow it from the general fund. And how will the general fund get the money? We will just borrow it. And where will we borrow the money? Oh, probably China.

This is insanity, I think it's fiscally irresponsible. I think it's awful that the Republicans held the unemployed in this country hostage to this tax bill, and we simply must fight for this. We have to fight for the middle class. Thank you very much for bringing attention to this.

Mr. GARAMENDI. Thank you very much, Ms. CAROL SHEA-PORTER from the great State of New Hampshire. You have always been right on the issues.

I think we need to really understand what is in this proposal that this House passed just last week, which was a

very, very significant tax cut for the working men and women of America, the people that are out there every day, going to work, putting in their 8, 10 hours a day, bringing home the paycheck at the end of the week. The tax proposal that we put together takes care of children, providing the child care tax credit.

It becomes permanent in our piece of legislation. In the one that has been proposed, it expires in 2 years. Then what happens to taking care of children?

If you happen to be a student, in our proposal, the student loan interest deduction, it stays permanent. It stays there for the next generation. For those kids that want to go to school, their families can get this, not for just 2 years but permanently.

So what was negotiated by the Republicans? A 2-year proposal in which this particular tax reduction for the working men and women and their children ceases.

You want to get married? Well, you are married. Good for you. Our proposal would make permanent the extension of the marriage tax deduction. Right now there would be a new penalty imposed on married people unless we extend it.

So we said, no; married people, married couples and those who file as couples would get a permanent reduction in their taxes.

So you are a small business person. You have a company. You have a farm. You have a ranch, and you have the opportunity under our proposal to permanently, into the future, receive a lower capital gains tax rate if you were to sell your company.

So for small businesses, this is what we propose for the small businesses and other people who might have investments. Now, that's not for the wealthy. It phases out at \$200,000 of income for an individual and at 250,000 for a couple.

In our proposal, not what the President negotiated with the Republicans, but rather in our proposal, there is a tax cut for those couples who file an adjusted gross income of \$250,000 or less, and the alternative minimum tax would be focused to avoid the penalty that would exist in the alternative minimum tax. So what we did was to very carefully construct a tax reduction proposal that focuses on the working men and women, the great middle class, the middle income of America, so that they would have the benefits, not the very, very wealthy in America.

Unfortunately, what's been negotiated is exactly the opposite. What's been negotiated is, instead of a permanent reduction that benefits the working men and women, the middle income of America, a proposal has been put in place that terminates in 2 years and provides an extraordinary benefit to the very, very wealthy top 2 percent, the billionaires, those who have an adjusted gross income over \$250,000, literally the billionaires in America and the millionaires in America.

How much is in it for them? Well, by a calculation that my staff and I made earlier today we said \$70 billion a year that, as you said, Ms. SHEA-PORTER, would have to be borrowed.

And who is going to pay for it? The working men and women in the years ahead. What would that \$70 billion be used for? What's the alternative?

The most critical investment any, any society can make is an investment in education. We know from the reports that just came out today that the American education system is not producing students who are capable of competing in tomorrow's economy. We are in the bottom half of student ability in math and science, where the future lies.

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What if we took that \$70 billion that the billionaires don't need and instead invested it in education?

I said earlier, average teacher pay, \$50,000. Is that about what it is in your area? It is in ours. Senior teachers would get somewhat more. Junior teachers would get significantly less. But let's just say it's \$50,000. If we took \$50 billion of the \$70 billion, or maybe it's \$80 billion, that the extremely wealthy get and instead say, no, no, you're not going to get it, we're going to invest that money in our children, in their education. One million teachers. Do the math. One million teachers. Fifty billion dollars could buy 1 million teachers in the classroom beginning in January. Those that have been laid off could come back. Classroom size could be reduced. Isn't that better for America than giving the rich, the richest of the rich, \$70 billion? I think so. Use the remaining 20 to improve our classrooms, buy the technology, put the computers in place. Twenty billion dollars would do it. And that's in year one. It could be repeated in year two.

Mr. President, Mr. Republicans, you cut a bad deal for America. It's a bad deal for America. A better deal, instead of giving the rich more, give our children something.

Let me turn to my fellow representative from the great State of New York (Mr. TONKO).

Mr. TONKO. Thank you, Representative GARAMENDI.

From your district in California, Representative GARAMENDI, to Representative SHEA-PORTER's district in New Hampshire, to my district in upstate New York, the middle income community, the working families, are all resonating with their message, that it's their turn. We borrowed, as was indicated by the gentlewoman from New Hampshire, in the decade that preceded this administration from China to pay not only for tax cuts but for two wars and for Medicare part D, for a doughnut hole that now is driving seniors to the brink of poverty. Where was the fairness in all of that? Because their bearing of the burden is far greater as a percentage of their income house-

hold-wise than the upper income strata. So the consequences here are borne unfairly.

And so I think that what you've described here in the contrast is an opportunity to start anew, with a new focus, where children and students, married couples, seniors, working families, all are given highest priority, where they can dream the American Dream, where they're empowered. And when we empower our middle income community, we're empowering all of us. Someone needs to build the product. Someone needs to buy the product. And if you deny the purchasing power of our middle income families, we have destroyed the economy of this Nation. And so it makes great sense and provides great opportunity to go forward with this new thinking. Otherwise, we revisit the failed policies of President Bush's administration, where we saw no job growth, where we saw the decline in business, manufacturing began to fold, where we lost one-third of our manufacturing base. We need to go back to those policies. What's driving the deficit today is unemployment. And if we can invest in research and development, if we can invest in basic research, in the innovation economy, then we will provide hope for our working families across the country.

I think what's often lost in the discussion on the great package that we did was that everybody, everybody, will get a break, a tax cut, on a level of income including those who are millionaires and billionaires, will get a tax break on the first \$250,000 in that household. So it's not like we're denying anyone. We're just saying, let's empower that middle income crowd, that community, in a way that gives them their share now, of a stake in the investments that are made here in Washington and then shared across this great country. That is the kind of shot in the arm that's required right now. Because we see these tremendously difficult statistics out there. It took a long time to get into this mess. And I know that the expression made by the voters in this last election was that it didn't happen quick enough; the recovery didn't happen quick enough. Well, this is a revisiting of the failed policies of the past that drove us into the worst times since the Great Depression. Our colleague spoke earlier about the divide between those who are comfortable and most comfortable. That has grown to the widest that has been known in, I think, days since the Great Depression. And we have seen more concentration in the top 1 or 2 percent of wealth in this country of the economic recovery, of profit. We just saw a record profit established in the last quarter. Since record keeping over the last 60 plus years, there was more profitability for our business community in this country in the last quarter; when you annualize that, it breaks all records. So we need to look at all the statistics out there. We need to be very cognizant of what's happening and

what isn't happening. And I think the way we do that is through the soundness of the policy that we advanced, that really promotes I think the sort of effort that enables us to strengthen the purchasing power of our middle income community. And we also attempted in this House, without help from the Republicans, to provide a stretch-out on that unemployment insurance program. So we are doing those elements that respond with great sensitivity to the unemployed who are still searching for employment. We attempted every which way to stretch that opportunity from this House. We have advanced a tax cut for those households, couples under \$250,000. Everybody can qualify in that tax cut because it caps at that threshold and works itself through across all of the income levels of families in this country. So we have done, I think, a very reasonable package, we have done it with great focus and great hope that it will drive the growth of the economy and produce hope in terms of jobs created and retained and will not bring us back to those failed policies. I think we have forgotten the trillions that were lost. There was \$18.5 trillion lost in the last 18 months of President Bush's tenure. That was a huge, devastating blow to this country. There were 8.2 million jobs lost, which are tough to recover from. But we have had many successive months of private sector job growth. So we need to continue along the thoughtful sort of policies; and the progress that has been achieved, while incremental, is a steep climb toward recovery rather than falling deeper as was the case when we hit rock bottom in March of 2009. We have been recovering and I think now is the time to just add to that effort, not lead us backward into the failed policies of the past.

Mr. GARAMENDI. The gentleman from New York could not be more correct, that the policies of the Bush administration, their tax policies, created a huge deficit, two wars that were not paid for but rather money borrowed, most of it again from China, and a total backing away from the regulation of the financial industry led to an extraordinary crash of the American and indeed the world economy. What is being asked of us now is to put back in place the tax policy that was part of that great decline. And a point that you made, if I might just bring it out one more time here, is that that tax policy that was started in 2001 and is now being proposed by our Republican colleagues and our President is a continuation of the drift—excuse me, it's not a drift—a cascade of wealth from the middle class, from the working men and women, to the wealthiest Americans. Is that wise policy? It certainly doesn't create jobs. There are very few economists except some very right-wing Republican economists who would argue that by giving more money, in this case \$150 billion minimum, maybe \$180 billion, to the wealthiest is going to somehow create

jobs. Nobody would rationally argue that. However, on the other hand, it's been argued very clearly that one of the most stimulus, job-creating, encouragements to the economy is unemployment insurance. But our friends on the Republican side have said very clearly that they're going to put their foot right on the neck of the most unfortunate Americans, the unemployed, and hold them down until they're able to get their buddies, the wealthiest of Americans, an additional tax break.

□ 2110

That is what is going on here. They are using the most harmed Americans in this economy, an economy that collapsed under the Republican administration, holding those unemployed down, putting their foot on their neck and saying, You cannot have anything until our wealthy backers have more. Shame on them. Shame on them. That is not good American policy. That is not even humanitarian. And we are up against the Christmas holidays. They are using this as a lever. It is dead wrong, it is inhumane, it is cruel, and it shows not one iota of compassion. Until they get their wealthy taken care of, those people who don't need more, they are going to hold 2.5 million Americans on the ground without food, without gifts for their families, without even a Christmas meal. That is what the Republicans have said. That is the deal which has been cut, and it is one we should oppose. Do I feel strongly about this? Yes, I do.

Ms. SHEA-PORTER. I wanted to say, this is not just Democrats who are saying this. Republicans who are no longer in power have also been attacking these plans. David Stockman, the former director of the Office of Management and Budget during the Reagan administration, called these tax cuts "unaffordable." He is one of many voices who said this. Unfortunately, the Republicans who are in power now are not listening. It is fiscally irresponsible.

We need that income; we had to have that revenue so we could pay our bills. If we had that revenue, what could we do with it? Or if we were going to borrow, what should we have borrowed for?

To begin with, we could start paying our military men and women more. This year they are having a very tiny increase. They are outraged, and I don't blame them. They have been serving this country honorably. We have been at war for 8 years. They are exhausted, and now they are getting a very tiny pay raise. We could have used it for that.

What else? We could have helped mom and pop small businesses, the businesses on Main Street. Rather than giving those tax cuts to the top 1 percent, we could have used that money to help our small businesses that are struggling.

What else could we have done? We could have put money into infrastruc-

ture and created jobs. We could have been building things. You walk around Washington and you see beautiful buildings that were built during the Depression. They put men and women to work, and they left something behind for the next generation. I have said, if you are going to borrow money and you are going to have the next generation pay for it, you better leave them something to look at. We could have done that. We could have fixed some of our infrastructure. It is crumbling all over the country. We have deferred maintenance.

And we have not taken care of just that. You talked about education. I'm on the Education and Labor Committee. We know we are failing our children. We could have put money there.

Where else? How about money for research and money for basic medical care.

You know, every time I hear the Republicans in power here say: everybody is going to have to feel the pain, I say to myself, I know who they mean, and they don't mean them. They mean the middle income and below. They are the ones who are going to feel the pain. And by the way, they are the ones who are also going to have to pay for this because, once again, it is borrowed money. I think it is absolutely disgraceful.

Given the past campaign that we all experienced where the borrow-and-spend theme, borrow-and-spend was just hammered, absolutely hammered, as if the Bush era hadn't happened, as if George Bush hadn't created the greatest deficits in history, as if the Republicans hadn't been in charge when that happened, they said that they were going to fix that. They had learned their lesson. Remember on the floor, we heard many times that they had learned their lesson, but they hadn't. Here they are, holding people's unemployment hostage to make sure that their benefactors get their tax cuts.

I think it is outrageous. I think it is stunning. I think it is so cynical that it is ugly to watch. And I will not support that.

Mr. GARAMENDI. Ms. SHEA-PORTER, thank you so much. You were talking about the many options available to us, the choices we are making. In this tax policy, we are making a choice to invest in America's future, that is, the working men and women of America, or investing in the very wealthy. All of it with borrowed money. If America is going to make it, then we are going to have to rebuild America's industrial strength. These are choices.

There are ways that we can rebuild America's industrial strength. One of them is to stop exporting jobs. Now, the American Tax Code until just a month ago provided a \$12 billion annual tax break to American corporations who sent jobs offshore. Yes, that's right. How could that be? Well, it was in the Tax Code. The Democrats

said that's wrong, and we passed a tax bill that ended that nefarious, useless, job-harming tax proposal. We brought \$12 billion back into the Treasury, put a stop to the incentive for American corporations to ship those jobs offshore.

Did the Republicans support that job-creating program? They did not. Only a handful. I mean, one handful actually voted with the Democrats to end a tax break that encouraged the off-shoring of jobs. An example of how we can bring jobs back to America is to set our tax policy in place so we don't encourage the off-shoring of jobs.

Another piece of this is to use our tax money to build jobs in America. Very quickly, and then I want to turn to my colleagues in the final 15 minutes of this hour. We spend a lot of money. Our gasoline tax, our diesel fuel tax is used to maintain our highways and to buy buses and trains and light rail systems and things that move people. It is all well and good. But much of that tax money is used to purchase buses, light rail, trains that are made in foreign countries. My proposal is, hey, that is our tax money; let's spend it on equipment that is made in America. You want to build a bridge, use American steel. You want to buy a bus, our tax money, buy an American-made bus. You want to build a light rail system with our tax money, buy an American made light rail system.

If we just use our tax dollars in a way that promotes American industry, we can grow America. I think of Walt Whitman and his beautiful poetry about the great industrial strength of America, the way America would get up in the morning and build. I don't think Walt Whitman would be very enthusiastic about American industry today given our policies. But if we institute policies that are make it in America so that America can make it, once again these are choices about where we are going.

Manufacturing matters. Walt Whitman understood that the strength of America was in its industries. We have forgotten that, and apparently our Republican colleagues are perfectly willing to give American industries a tax break to ship jobs offshore. The Democrats are not. We ended that.

Mr. TONKO, you and I have talked about this. You were there for the vote to end that tax break.

Mr. TONKO. Absolutely. And I loved the converting of tax policy into a job focus.

My question rhetorically to the opposition party has been the marketing of the 2001 and 2003 tax cuts was all around jobs. These are the job-creating tax cuts. My rhetorical question is: Where are the jobs? We saw one of the most dismal stretches of job loss and job creation under that Bush Presidency than ever recorded in the Nation. And to Representative SHEA-PORTER's point, left with an historic largest deficit. So that was complications

beyond belief, a multitude of problems that then endured and gripped the household budgets and the profitability of small businesses across this country to the point that we sunk to the lowest of records in March of 2009.

So now our focus rightfully should be about job creation and retention. My district, the 21st Congressional District in the State of New York, houses the eastern portion of the original Erie Canal, barge canal. It gave birth to a necklace of communities called mill towns. These mill towns became the epicenters of invention and innovation.

□ 2120

So that pioneer spirit is in the American DNA, I am convinced. I cannot accept for a moment that our manufacturing heyday is a thing of the past. We can be the kingpins of manufacturing. We need to invest in that manufacturing element so that small businesses and manufacturing centers can be that driving force for job creation and retention.

How does it happen? You modernize with investments.

I served as president and CEO at NYSERDA, the New York State Energy Research and Development Authority. I saw what happened when we partnered with the business community to enable them to cut energy costs for production. It's easy. We have shelf-ready opportunities today that can then retrofit into these manufacturing centers and enable them to be more profitable, more efficient. That means, as profitability, the transitioning over to more jobs and more ideas that can come from the manufacturing elements in our given neighborhoods and our communities, in our regions, in our congressional districts.

So it can happen, but you need this plan of attack that will go to putting American workers into deeply rooted jobs that will be here to grow in this country.

We saw what happened when we helped businesses take their large industries—take their jobs—offshore, and we paid them to do that. So I applaud the efforts that you have created and in which others have joined in this House to create the package that says “no” to that sort of investment, but “yes” to American workers and working families and “yes” to our small business community, which is the backbone of our economic recovery.

We profess small business to be the springboard to economic recovery. If we believe that, let's act accordingly and not take this step backward that gives tax breaks to millionaires and billionaires at the expense of investments in the small business community, investments in the working households of families across this country and, certainly, at the expense of investments in children, in students, in working couples, in married couples, who will get a break from our tax package bills, and in senior citizens, all of whom deserve our sensitivity here in

this Chamber so as to do what is best for the middle-income community of this country.

Again, to repeat myself, empowering them by strengthening their purchasing power strengthens all of us from the least comfortable to the most comfortable. I think it is the map, the blueprint, for a successful comeback from the lowest, toughest economic point that we have seen as a Nation. Now, to crawl out of that pit, we need to do it thoughtfully and with laser-sharp focus, and I think our legislation advanced in this House does that.

I have enjoyed working with the two of you, with other Representatives and with the leadership in this House to make that effort so that we can have the smartest and most analytical response.

Mr. GARAMENDI. Mr. TONKO, once again, you speak with great wisdom and with a sense of history. It is about choices.

Apparently, the Republicans and the President want us to take \$140 billion, \$150 billion, \$160 billion and give it to the wealthiest of Americans, to the top 2 percent, as if they need help.

What if we took that money and invested it in—oh, I don't know—green technology? in wind turbines? in solar or in buses and transportation? \$150 billion, what would it buy?

I would suggest, with the first \$70 billion, in year one, invest in teachers and in schools. With the next \$70 billion or \$80 billion, invest in—well, let's build the great manufacturing sector once again in the great Northeast; 160 years ago, my great, great grandparents left the textile mills in your territory, Ms. SHEA-PORTER, and moved to California. It was good for them, but it left the great Northeast without the textile industry. You are trying to rebuild your industries—health care technologies and other kinds of advanced technologies—which could use the incentive of \$70 billion.

Ms. SHEA-PORTER, we've got another 5 minutes. Why don't you take four of those, and then we'll wrap in the last minute.

Ms. SHEA-PORTER. Thank you.

I think it is important to reiterate that we are very happy when Americans do well financially. We want every American to do well financially. I have said many times before that each one of us hopes to have a little more money, and I said that my kids hope that I have a little more money also. It's not a question of success. We want everybody to be successful.

The problem that we have here is that we are borrowing money that middle-income taxpayers will have to pay back, plus interest, in order to give those who are already extremely successful—and I'm glad that they are—money that they don't need. Then we will carry the debt and put this country further at risk.

So, when we want to tell the truth about the debt, this has to be part of the story: that it was proposed—and I

fear could be passed—that we borrowed more money, probably from China, and we gave it to those who least needed it while we ignored all the great pressing needs of our country.

I fear for the middle class. I know that we all grew up at a time when our parents believed that we would do better than they did financially, and indeed we did. I put myself through college, but I was able to work double shifts in the summer at a factory, and then I was able to work through the school year to pay for that. Now, no matter how hard people work in the summer and no matter how hard they work in the winter, they can't afford to pay for college tuition.

So what are we going to do for those children? What are we going to say to their families? Sorry. We've borrowed enough money. Do you understand that we borrowed the money to give it to the wealthiest so that we can't give it to you? What are we going to do, crush their dreams, their hopes and their possible paths to the same kind of success? This is just wrong on every level.

If you look at children today, you will recognize that, chances are, they have family members who are underemployed or unemployed, that their families are struggling to pay the rent or to pay the mortgage, that the cost of everything has gone up dramatically, and that their families can't afford to save for their educations. What do we say to them later? You have to understand that it was just so important to make sure that we gave you this debt and increased your debt so that we could take care of those who didn't need it.

I don't understand this, and I think that most Americans looking at this don't understand it either. We celebrate people's good fortunes and successes. We are happy that they have been so successful, but we should not borrow money to give them what they don't need.

Let's invest in America. Let's invest in the next generation. Let's help our seniors out. How many seniors fall in the doughnut hole and can't even afford to pay for their prescriptions? Will we say, Well, we can't help you because we can't afford it? Let's build infrastructure. Let's help small businesses. Let's create jobs. Let's get people working again. People really don't want unemployment checks. They want jobs.

How many jobs bills did we try to pass, which were passed out of the House but which sank in the Senate? There was so much Republican opposition to creating jobs. Yet here we are, saying the only way we can help people with unemployment is if we yield to the Republicans and say, okay, we'll give tax cuts to the very wealthiest also.

This is a sad moment, a very sad moment on this floor and in the Senate. I hope that the American people will rise up and say, No, this is not fair to the middle class.

Thank you very much for doing this. Mr. GARAMENDI. Ms. SHEA-PORTER, thank you so very, very much.

We have just a minute left. As you were speaking from your heart about the status of Americans today, I was thinking about last fall when I took my family down to the Roosevelt Memorial. On one of the placards carved in the stone is his statement: The test of America's progress is not that those who have much should have more but that those who have little should have enough.

Isn't that where we are today? Isn't that what FDR was saying in the 1930s during the Great Depression?

Mr. Speaker, thank you very much. We appreciate the hour to discuss this very, very important issue.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CULBERSON (at the request of Mr. BOEHNER) for today on account of personal business.

Mrs. McMORRIS RODGERS (at the request of Mr. BOEHNER) for today and the balance of the week on account of the birth of her daughter.

Mr. POE of Texas (at the request of Mr. BOEHNER) for today on account of being unavoidably detained in Texas.

Mr. DAVIS of Illinois (at the request of Mr. HOYER) for today.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MURPHY of Connecticut) to revise and extend their remarks and include extraneous material:)

Mr. MURPHY of Connecticut, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. SHERMAN, for 5 minutes, today.

Mr. DEFazio, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. GRAYSON, for 5 minutes, today.

(The following Members (at the request of Mr. JONES) to revise and extend their remarks and include extraneous material:)

Mr. POE of Texas, for 5 minutes, today, December 13 and 14.

Mr. JONES, for 5 minutes, today, December 13 and 14.

Ms. ROS-LEHTINEN, for 5 minutes, today, December 8 and 9.

Mr. GARRETT of New Jersey, for 5 minutes, today, December 8 and 9.

Mr. LINCOLN DIAZ-BALART of Florida, for 5 minutes, today and December 8.

Mr. PAUL, for 5 minutes, December 8 and 9.

Mr. BURTON of Indiana, for 5 minutes, today, December 8 and 9.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's

table and, under the rule, referred as follows:

S. 124. An act for the relief of Shigeru Yamada, to the Committee on the Judiciary.

S. 3817. An act to amend the Child Abuse Prevention and Treatment Act, the Family Violence Prevention and Services Act, the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, and the Abandoned Infants Assistance Act of 1988 to reauthorize the Acts and for other purposes; to the Committee on Education and Labor.

S. 3860. An act to require reports on the management of Arlington National Cemetery; to the Committee on Veterans' Affairs.

BILLS PRESENTED TO THE PRESIDENT

Lorraine C. Miller, Clerk of the House, reports that on December 3, 2010 she presented to the President of the United States, for his approval, the following bills.

H.R. 4783. To accelerate the income tax benefits for charitable cash contributions for the relief of victims of the earthquake in Chile, and to extend the period from which such contributions for the relief of victims of the earthquake in Haiti may be accelerated.

H.J. Res. 101. Making further continuing appropriations for fiscal year 2011, and for other purposes.

H.R. 6387. To designate the facility of the United States Postal Service located at 337 West Clark Street in Eureka, California, as the "Sam Sacco Post Office Building."

H.R. 6237. To designate the facility of the United States Postal Service located at 1351 2nd Street in Napa, California, as the "Tom Kongsgaard Post Office Building."

H.R. 6118. To designate the facility of the United States Postal Service located at 2 Massachusetts Avenue, NE, in Washington, D.C., as the "Dorothy I. Height Post Office."

H.R. 5758. To designate the facility of the United States Postal Service located at 2 Government Center in Fall River, Massachusetts, as the "Sergeant Robert Barrett Post Office Building."

H.R. 4387. To designate the Federal building located at 100 North Palafox Street in Pensacola, Florida, as the "Winston E. Arnow Federal Building."

H.R. 5706. To designate the building occupied by the Government Printing Office located at 31451 East United Avenue in Pueblo, Colorado, as the "Frank Evans Government Printing Office Building."

H.R. 5651. To designate the Federal building and United States courthouse located at 515 9th Street in Rapid City, South Dakota, as the "Andrew W. Bogue Federal Building and United States Courthouse."

H.R. 5773. To designate the Federal building located at 6401 Security Boulevard in Baltimore, Maryland, commonly known as the Social Security Administration Operations Building, as the "Robert M. Ball Federal Building."

H.R. 5283. To provide for adjustment of status for certain Haitian orphans paroled into the United States after the earthquake of January 12, 2010.

H.R. 6162. To provide research and development authority for alternative coinage materials to the Secretary of the Treasury, increase congressional oversight over coin production, and ensure the continuity of certain numismatic items.

H.R. 6166. To authorize the production of palladium bullion coins to provide affordable opportunities for investments in precious metals, and for other purposes.